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Small Business Administration to Launch 11-City Economic Growth Tour

The U.S. Small Business Administration is launching an 11-city economic growth tour this week, to meet with local entrepreneurs across the country and discuss issues important to spurring job creation.

The regional events will enable entrepreneurs and small-business owners to meet with their local bankers, venture capitalists, resource and trade partners, and local SBA staff to get information about starting a new small business or advance an existing one. There will be a luncheon with officials from the SBA and representatives from each local community to discuss the challenges of owning a small business and how to improve opportunities for entrepreneurs.

The schedule for the SBA Economic Growth Tour is as follows:

January 2004

Jacksonville, FL – January 26

February 2004

Reno, NV – February 9

Albuquerque, NM- February 23

March 2004

Clarksburg, WV – March 8

Green Bay, WI – March 22

April 2004

Region VIII – Denver, CO – April 5

Region VII – Springfield or Kansas City, MO – April 12





For information about the SBA's 50th anniversary, go online to www.sba.gov/50.

Nominations For Small Business Week 2004

In recognition of the small business community's contribution to the American economy and society, the President of the United States designates one week each year as National Small Business Week.

Leading up to that week, the U.S. Small Business Administration, in partnership with public- and private-sector small business supporters, will cosponsor special events to honor and present awards to the nation's entrepreneurs and small business advocates at the SBA-district, state and national levels.

The award winners from those local and state events in the following categories will be invited to Washington, D.C. for a National Small Business Conference and Trade Show in their honor:

-  *Small Business Person of the Year (from each of the 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands, and Guam);*
-  *Phoenix Awards (for disaster recovery);*
-  *Small Business Advocates;*
-  *Small Business Prime Contractor of the Year; Small Business Subcontractor of the Year; Francis Perkins Vanguard Awards; Dwight D. Eisenhower Awards; and Gold Star Awards (all for federal government contracting).*

*Nominations must be submitted to the nearest U.S. Small Business Administration district office in your state or territory. **NM SBA District Office is located at 625 Silver Avenue, SW, Suite 320, Albuquerque, NM. (505/346-7909)** Nomination must be postmarked or hand delivered no later than December 5, 2003.*



SBA Moves to Risk-Based Lender Oversight

The U.S. Small Business Administration is implementing a risk-based approach to overseeing individual lenders that includes an early warning predictive score component and a more comprehensive lender review process.

Last spring, the SBA hired Dun & Bradstreet and Fair Isaac, two industry leaders in the fields of risk management, to provide loan and lender monitoring service for the agency. The system was recently delivered by Dun & Bradstreet to the SBA, and provides the agency with the ability to assess the performance of individual lenders and evaluate the overall performance of the SBA's 7(a) and 504 loan portfolios.

At the heart of the services provided is the Dun & Bradstreet/Fair Isaac Small Business Predictive Score. The entire SBA loan portfolio is credit scored for portfolio management purposes – not for credit decisions – on a quarterly basis. Once scored, the SBA analyzes the portfolio to quantify loan and lender performance and to proactively track relevant trends.

The benefits of the new oversight tool are:

- Risk ranking of all SBA lenders;
- Effective off-site monitoring of credit and performance trends of SBA lenders;
- Frequency and scope of lender reviews tied to risk profile of lenders;
- Lender and portfolio benchmarking and peer comparisons; and
- Utilization of industry best practices as part of lender oversight methodologies.

The SBA Office of Lender Oversight is implementing the loan and lender monitoring system agency wide, and will issue further guidance for lenders on the impact of this risk-based oversight in the near future.



Rule Change Will Allow More Small Businesses to Qualify for SBA Assistance

The U.S. Small Business Administration has increased its revenue-based size standard for small businesses in the facilities support services industry from \$6 million in average annual receipts to \$30 million.

The new size standard will allow more companies to qualify for small business assistance and compete as a small business for federal contracts. It was published as a final rule in the *Federal Register* on October 15, 2003, and is effective on November 14, 2003. Under the new rule, the sub-category of base maintenance will also increase from \$23 million to \$30 million.

The change was the result of numerous requests from small businesses in the facilities support services industry. Representatives from these companies argued that an increase in size standards is warranted to reflect the size of federal contracts in this industry and that it would allow them to grow to a size at which they can effectively compete with large

businesses. Based on a review of these issues and data on the facilities support services industry, SBA concluded that a higher size standard for this industry is appropriate. SBA examined factors including average firm size, distribution of firms by size, start-up costs and industry competition.

SBA's size standards define whether a business entity qualifies as small and whether it is eligible for government programs and assistance reserved for small businesses, including some programs in other agencies. Under the new rule, more small businesses will be eligible to apply for SBA's financing and loan programs as well as contracting and business development programs such as the 8(a) Business Development program, HUBZone Empowerment Contracting program and small business set-asides.

Size standards are established separately for industry groups as defined by the North American Industry Classification System.



SUBSCRIBE TO RECEIVE THE NEW MEXICO DISTRICT OFFICE NEWSLETTER

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-  Scroll down and check the boxes next to the newsletters you would like to receive.
-  Enter your first name, last name and e-mail address in the box at the bottom of the page and click on "Subscribe." You will receive an e-mail to confirm your subscription.

Upcoming Training/Seminars

SBA 8(a) Business Development

Monthly 8(a) Business Development Program Workshops

The SBA's Section 8(a) Program is intended to help socially and economically disadvantaged business owners. SBA assists these firms in gaining equal access to the resources necessary to develop their business and, thereby, improve their ability to compete on an equal basis in the mainstream of the American economy.

The free workshops are presented on the first Thursday of every month from 1:00 pm to 3:30 pm. To register for any of the workshops, or to obtain additional information, please call the SBA Office at 505/346-7909 or 505/346-6751. Additional information on the program is also available on the SBA Website at <http://www.sba.gov/8abd>.

- ✚ **December 4, 2003** @ SBA Office (Conference Room), 625 Silver Avenue, SW, Suite 320.
- ✚ **January 8, 2004** @ Albuquerque Hispano Chamber of Commerce/Business Info Center, 1309 4th Street, SW (Board Room).
- ✚ **February 5, 2004** @ SBA Office (Conference Room), 625 Silver Avenue, SW, Suite 320.



"Essentials For Starting A New Business"

This workshop is held on the third Friday of the month from 9:00 am - 4:00 pm (8:30 am registration). There is a workshop fee of \$35.00 per person.

The workshop emphasizes all the essential elements needed for successful business practices. Topics include Anatomy of a Business; The Law and Business; Necessary Insurance; Record Keeping Elements; Tax Considerations; Banking and Borrowing and SBA Programs and Resources. Call (505) 346-6750 for additional information or to register for the monthly workshop.

ISO 9000 Certification Equals Contracts

ISO 9000 is a quality control certification that is accepted internationally. The certification is of benefit to manufactures, high tech companies, environmental firms, service businesses, and many other small businesses that contract with the federal government or prime contractors. This workshop will explain ISO 9000 certification, associated costs, and the benefits of certification. No charge.

Top SBA Lenders Based on Loan Numbers FY2004

7(a) Guaranteed Loan Program Thru October 2003



Bank America National Assoc	8
Wells Fargo Bank	7
New Mexico Bank and Trust	4
Citizens Bank of Las Cruces	3
Sunrise Bank of Arizona	3
Western Commerce Bank	3



New Web Site Available for Small Business Owners Doing Business Overseas

A new Web site to assist small businesses seeking to tap into international markets was launched today by the U.S. Small Business Administration in partnership with the American International Group, Inc. (AIG) and the U.S. Chamber of Commerce.

The new Web site at www.AssessYourInternationalRisk.org is designed to provide small businesses with information that will help them determine what insurable exposures they may encounter in doing business overseas. These can range from credit and liability risks with unknown customers to workers' compensation laws, which can vary widely.

Small businesses are more likely to be unfamiliar with the risks involved in doing business overseas. A lack of knowledge may needlessly stifle or jeopardize a company's expansion. The site, www.AssessYourInternationalRisk.org, will help entrepreneurs in creating an environment where they can gain the knowledge to expand and protect their business on an international scale.

The Web site features a convenient ask-the-expert option where small business owners can ask questions about the risks in doing business overseas.

SBA Overview to Be Made Available in Seven Languages on Agency Web Site

An "Introduction to the U.S. Small Business Administration" is now available on the agency's Web site in seven languages, downloadable in a PDF format in English, Spanish, Russian, French, Arabic, Chinese and Japanese. The overview will soon be translated into Serbo-Croatian and Vietnamese as well.

An *Introduction to the U.S. Small Business Administration* is available on the SBA Web site at www.sba.gov/aboutsba/international/overview.html and www.sba.gov/aboutsba/overview.html. The overview provides a definition of the term "small business," an overview of the SBA's history, and various small business statistics. The document also outlines the SBA's four basic program areas – access to capital, entrepreneurial development, federal procurement, and advocacy.

The SBA has long been a resource for many foreign nations as governments seek SBA information to help them emulate the "American model" of economic development. In fact, the SBA receives between 700 and 1,000 international visitors each year. The SBA's International Visitors Program provides visitors with briefing kits of the SBA's programs and services.

The publication of the introduction in various languages will allow international Web site visitors to locate information on the SBA more independently and more quickly than before.

Military Reservist Economic Injury Loans Still Available

Small businesses with essential employees called to active duty may still apply for Military Reservist Economic Injury Disaster Loans from the U.S. Small Business Administration.



For the last two years, the MREIDL program has provided loans to eligible small businesses to cover operating costs that cannot be met due to the loss of a key employee called to active duty in the reserves or National Guard.

Small businesses may apply for MREIDLs of up to \$1.5 million if they have been financially impacted by the loss of an essential employee. These working capital loans may be used to pay necessary operating expenses that could have otherwise been covered. The loans cannot be used to refinance debt or expand the business. The current interest rate is 3.1 percent, with a maximum term of 30 years. The SBA determines the amount of economic injury, the term of each loan and the payment amount based on the borrower's financial circumstances.

The MREIDL filing period ends 90 days after the date the business owner or key employee is discharged from active duty. To download an application, visit the Web site at www.sba.gov/disaster. Businesses can also contact one of the four SBA disaster area offices to obtain an application.